

AGENDA



Thursday, March 25, 2010

**Austin Water Utility
RECOMMENDATION FOR COUNCIL ACTION****Item No. 3**

Subject: Authorize negotiation and execution of a developer agreement with Round Rock Independent School District to reimburse costs to construct a 24-inch water transmission main and appurtenances related to Service Extension Request No. 2869 to provide water service to the Pearson Ranch development located at 14806 N RR 620 for a total reimbursement not to exceed \$2,670,300.

Amount and Source of Funding: Funding is available in the Fiscal Year 2009-2010 Capital Budget of the Austin Water Utility.

Fiscal Note: A fiscal note is attached.

For More Information: Seyed Miri, 972-0202; Denise Avery, 972-0104

Boards and Commission Action: Recommended by the Water and Wastewater Commission.

The Pearson Ranch development, consisting of approximately 395 acres of land between SH45/FM 620 and Avery Ranch Boulevard (the "Property") within the City of Austin's 2-mile extraterritorial jurisdiction, is proposed to include a High School, a Middle School, an Elementary School, 133 single family residences, 1,023 multi-family units, 93,000 square feet of office use, 413,333 square feet of retail use, a church and a day care. The Round Rock Independent School District (the "Applicant") requested that the Austin Water Utility ("AWU") provide water utility service to the Property as proposed in Service Extension Request No. 2869. The Property is within the Council approved Impact Fee Boundary, Utility Service Area, the Desired Development Zone and the Brushy and Lake Creek Watersheds.

Under the proposed agreement, the City will reimburse the Applicant in accordance with the applicable provisions of Chapter 25-9 of the City Code for costs incurred to construct oversized water improvements. The proposed improvements include:

- For Phase One, approximately 4,500 feet of oversized 24-inch water line from the existing 24-inch water line in Avery Ranch Boulevard, south through the Property within the proposed Pearson Ranch Road right-of-way to the Neenah Avenue intersection;
- For Phase Two, approximately 2,100 feet of oversized 24-inch water line from the future Pearson Ranch Road/Neenah Avenue intersection south through the Property within the proposed Pearson Ranch Road right-of-way along the extent of the proposed high school property; and
- For Phase Three, approximately 2,000 feet of oversized 24-inch water line from the end of the 24-inch constructed under Phase Two south through the Property within the proposed Pearson Ranch Road right-of-way to FM 620/State Highway 45.

The City will reimburse the Applicant for costs of the 24-inch water transmission main and appurtenances up to an amount not to exceed \$2,670,300.00 consisting of: (1) up to \$2,322,000.00 towards the hard costs, and (2) for soft costs, an amount equal to 15% of the City's hard cost reimbursement not to exceed \$348,300.00.

Other terms of the agreement with the Applicant will provide that the Applicant will:

- Bear all costs for financing, interest, fiscal security, accounting, insurance, inspections, permitting, easement acquisition and legal services associated with the project;
- Conform to the City's design criteria and construction standards;
- Construct all improvements at their cost and, after approval of construction, dedicate the facilities to the City for ownership, operation, and maintenance;
- Meet applicable M/WBE goals and policies established by City Council Resolution 20071108-127; allow AWU to use the project plans and specifications approved by AWU's director to solicit and publish invitations for bids for the construction of the improvements;
- Follow standard City bidding practices and procedures, including the minority-owned business enterprise procurement program found in Title 2 of the City Code, and Chapters 212 and 252 of the Texas Local Government Code.